

Message Text

LIMITED OFFICIAL USE

PAGE 01 BRASIL 02151 181942Z

ACTION AGRE-00

INFO OCT-01 ARA-06 ISO-00 EB-08 /015 W

-----182001Z 118624 /46

P R 181915Z MAR 77

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC PRIORITY 635

INFO AMCONSUL SAO PAULO

AMCONSUL RIO DE JANEIRO

LIMITED OFFICIAL USE BRASILIA 2151

PASS USDA/FAS OILSEEDS AND PROD DIV/FCA

E.O. 11652: N/A

TAGS: EAGR, ETRD, BR

SUBJ: GOB SOYBEAN EXPORT POLICIES

REF (A) FASTO 45 NOTAL

(B) TOFAS 21 (SAO PAULO 377) NOTAL

(C) TOFAS 33 (SAO PAULO 628) NOTAL

1. SUMMARY. GOB ACTIONS HAVE CAUSED UNCERTAINTY IN THE BRAZILIAN SOYBEAN MARKET. THESE ACTIONS COULD BE PART OF GOB STRATEGY AIMED AT MAXIMIZING EXPORT EARNINGS. END SUMMARY.

2. PRESS REPORTS AND TRADE RUMORS INDICATE THAT THE GOB HAS SUSPENDED EXPORT REGISTRATIONS OF SOYBEANS AND PRODUCTS. TRADE UNABLE TO CONFIRM SUSPENSION. KNOWLEDGEABLE GOB OFFICIAL STATES THAT EXPORT REGISTRATIONS CONTINUE TO BE ACCEPTED BUT THAT THE ISSUANCE OF LICENSES HAS BEEN TEMPORARILY SUSPENDED, PENDING A GOVERNMENT EVALUATION OF THE SOYBEAN SUPPLY SITUATION. SUSPENSION OF EITHER EXPORT REGISTRATIONS OR EXPORT LICENSES, OF COURSE, RESULTS IN SUSPENSION OF EXPORTS. OFFICIAL STATED THAT LICENSES WILL SOON BEGIN TO BE ISSUED AGAIN.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BRASIL 02151 181942Z

3. PRESS REPORTS THAT THE REASON FOR THE EXPORT SUSPENSION IS TO AVOID A RUSH TO EXPORT WHILE GOB OFFICIALS DISCUSS PROPOSED POLICIES FOR ISOLATING THE DOMESTIC SOYBEAN OIL AND MEAL MARKETS FROM THE RAPID INCREASE IN WORLD SOYBEAN PRICES. GOB OFFICIAL CONTACTED DISAGREED WITH THIS ANALYSIS. ACCORDING TO PRESS ANY ONE OR COMBINATION OF 3 POLICY OPTIONS IS OPEN IN REGARD TO SOYBEAN AND PRODUCT EXPORTS: (A) A CONTRIBUTION

QUOTA SIMILAR TO THAT LEVIED ON COFFEE EXPORTS, (B) AN AD VALOREM EXPORT TAX, (C) A RETENTION SCHEME WHEREBY FOR EVERY TON OF MEAL OR OIL EXPORTED, THERE WOULD BE A REQUIREMENT TO SELL A CERTAIN QUANTITY DOMESTICALLY. THE REPORTS SAY THAT IF A CONTRIBUTION QUOTA OR TAX WERE ENACTED, THE PROCEEDS WOULD GO TOWARD SUBSIDIZING DOMESTIC CONSUMPTION. ON MAR 18 THE PRESS QUOTED FINANCE MINISTER SIMONSEN: QUOTE, NOBODY IS THINKING OF INSTITUTING A CONTRIBUTION QUOTA FOR SOYBEANS, UNQUOTE.

4. FURTHER CONTRIBUTING TO MARKET UNCERTAINTY IS THE FACT THAT, UNLIKE IN PREVIOUS SEASONS, THE GOB HAS REFRAINED FROM ESTABLISHING QUANTITATIVE EXPORT QUOTAS (REF B). EXPORT AUTHORIZATIONS ARE TO BE GRANTED ON A PIECEMEAL BASIS THROUGH THE SEASON.

5. COMMENT: WE BELIEVE THAT WITH SOYBEANS, AS WITH OTHER IMPORTANT COMMODITIES, THE GOB WILL FOLLOW POLICIES AIMED AT MAXIMIZING EXPORT EARNINGS. THE GOB, HOWEVER, IS ALSO CONCERNED WITH ASSURING AN ADEQUATE SUPPLY OF SOYBEAN PRODUCTS TO THE DOMESTIC MARKET AT REASONABLE PRICES. END COMMENT.

8. THE GOB WILL NOT RELEASE TIMELY DATA ON EXPORT REGISTRATIONS OF SOYBEANS AND SOYBEAN PRODUCTS. (REFTEL A).
CRIMMINS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, SOYBEANS, EXPORT CONTROLS
Control Number: n/a
Copy: SINGLE
Sent Date: 18-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BRASIL02151
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770093-0890
Format: TEL
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770347/aaaabokr.tel
Line Count: 85
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b013eeb5-c288-dd11-92da-001cc4696bcc
Office: ACTION AGRE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3070830
Secure: OPEN
Status: NATIVE
Subject: GOB SOYBEAN EXPORT POLICIES
TAGS: EAGR, ETRD, BR
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/b013eeb5-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009